

**EDUCATIONAL PRODUCTS AND SERVICES AGREEMENT  
BETWEEN CAM COMMUNITY SCHOOL DISTRICT  
AND CONNECTIONS ACADEMY OF IOWA, LLC**

This **EDUCATIONAL PRODUCTS AND SERVICES AGREEMENT** ("Agreement"), made as of the 16<sup>th</sup> day of **January, 2012** ("Effective Date") by and between the CAM COMMUNITY SCHOOL DISTRICT (the "District"), on behalf of itself and the IOWA CONNECTIONS ACADEMY (the "School") for which the District has oversight and contracting authority, and **CONNECTIONS ACADEMY OF IOWA, LLC** ("CA"), an Iowa limited liability company, (the District, the School, and CA are sometimes referred to herein individually as a "Party" and collectively as the "Parties").

**RECITALS**

**WHEREAS**, the District is an innovative Iowa school district known for its embrace of quality innovative education opportunities; and

**WHEREAS**, the District desires to provide a state-wide online education virtual school program as authorized under Iowa law; and

**WHEREAS**, CA has a proven record of providing innovative educational products and services outside the traditional classroom and successfully managing the day-to-day operation of virtual schools, including, but not limited to, providing the Educational Products and the Educational Services described in Sections 2 and 3 below (collectively, "Educational Products and Services"); and

**WHEREAS**, the District desires to contract with CA to provide such Educational Products and Services as defined herein to certain eligible students qualifying for enrollment and public funding under the Iowa Open Enrollment law, Iowa Code section 282.18, as a statewide online virtual school program and CA desires to contract with the District to provide such Educational Products and Services; and

**WHEREAS**, CA is a wholly owned subsidiary of Connections Education LLC ("CE") and as a material inducement to the District to enter into this Agreement with CA, CE has agreed to guaranty the performance of CA's obligations set forth in this Agreement, and

**WHEREAS**, the District and CA are entering into this Agreement to set forth the obligations and duties of each Party with respect to the provision and management of Educational Products and Services by CA on behalf of the District; and

**WHEREAS**, District shall be responsible for adopting any necessary policies to comply with state law and regulation in oversight of the school;

**NOW THEREFORE**, in consideration of the above Recitals incorporated by this reference, of the covenants and agreements contained in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

**1. Definitions.**

1.1 “**Academic Year**” shall mean the school year as defined by the School Calendar (as defined in Section 1.13 below).

1.2 “**Administrative Staff**” shall include the employees of CA holding the positions described in Section 3.4.

1.3 “**Annual Report**” shall mean a summary of the key performance metrics of the School and other data as mutually developed by both Parties, which is to be submitted to the District by CA on an agreed upon schedule.

1.4 “**Confidential Information**” shall have the meaning set forth in Section 10 of this Agreement.

1.5 “**Course(s)**” shall be comprised of a set of lessons and assessments including both Tangible and Intangible Instructional Materials that shall meet the educational content or other standards established by the State of Iowa in order to be recognized for high school credit in grades 9-12 or for meeting educational requirements in grades K-8.

1.6 “**District Coordinator**” shall mean a staff person employed by the District who shall administer and monitor the performance of CA as specified in this Agreement and provide other such services identified in Section 4.

1.7 “**Effective Date**” shall be the date set forth in the preamble paragraph above.

1.8 “**Eligible Student(s)**” shall have the meaning set forth in Section 5 of this Agreement.

1.9 “**Enrolled**” shall apply to Students who have completed all of the requirements for admission to the School; have been notified of their acceptance in the School; have not been expelled from the School; have not been withdrawn from the School by their parents or guardians; have not enrolled in another full-time public or private school; and for whom the enrollment requirements of the School have been met.

1.10 “**Learning Coach**” shall mean a parent or legal guardian of the Student or another adult specifically designated by the Student’s parent or legal guardian who will perform the responsibilities as defined in the Learning Coach Access to Connexus® form and the School Handbook. Learning Coaches shall not be employees or contractors of either the District or CA and shall not receive any compensation for their services as a Learning Coach.

1.11 **“Personalized Learning Plan”** or “PLP” shall have the meaning set forth in Section 3.1 of this Agreement.

1.12 **“School”** shall mean the certified, statewide online virtual school program that is governed, operated, and provided under the name “Iowa Connections Academy” by CA through the District as proposed authorizer under the Iowa law.

1.13 **“School Calendar”** shall be the days when the Educational Products and Services under this Agreement will be delivered to Students, Teachers and Learning Coaches, as defined by the School Handbook. CA will provide Educational Services on those days established to be the School Calendar for the school year, except that Students may continue to report attendance during scheduled school holidays to the extent permitted under Iowa law. The School Calendar for each Academic Year shall be as approved by the District and shall meet any regulatory requirements for days and hours of instruction required by law or regulation.

1.14 **“Special Needs Students”** shall mean Students (as hereinafter defined) who have been identified as disabled under the Federal Individuals with Disabilities Education Improvement Act (“IDEIA”) or Section 504 of the Federal Rehabilitation Act of 1973.

1.15 **“Student(s)”** shall refer to any child enrolled in the School.

1.16 **“Student Records”** shall mean those “educational records,” as defined in the Family Education Rights and Privacy Act (“FERPA”), 20 USC 1232g (a)(4)(A), which the Charter School or CA is required to retain in accordance with state law.

1.17 **“Teachers”** are persons employed by CA who provide educational instruction to Students.

1.18 **“Term”** shall have the meaning set forth in Section 6 of this Agreement.

2. **Educational Products to be provided by CA.** During the Term, CA shall provide or cause to be provided to the District the following Educational Products, which together shall meet or exceed requirements of relevant Iowa law and regulations promulgated thereunder.

2.1 **Tangible Instructional Materials.** A non-exclusive, non-transferable, royalty-free, license to use tangible educational materials, which may include items such as textbooks, novels, science kits and other tangible educational materials provided during each applicable Academic Year during the Term of this Agreement for grades K-12 (“Tangible Instructional Materials”), as described in the CA Program Guide published by CA and updated annually (“Program Guide”). District agrees and acknowledges that CA, its vendors, or both, are the sole owners of the Tangible Instructional Materials. Any payments to CA for the use of the Tangible Instructional Materials shall be solely for the applicable Academic Year for each Student or Teacher who receives Tangible Instructional Materials in connection with the

provision by CA of the Educational Products and Services under this Agreement. This Agreement does not constitute a transfer of title or ownership rights by CA to the District or to the Students or Teachers in the Tangible Instructional Materials. All right, title, and interest in and to the Tangible Instructional Materials and any content contained in the Tangible Instructional Materials, including, but not limited to, copyright, patent, trade secret, and trademark rights will remain with CA and/or its vendors to the extent that the Tangible Instructional Materials are the property of CA and its vendors. CA shall have the right to recover any reusable Tangible Instructional Materials at the conclusion of each Academic Year or when the Student is no longer Enrolled, whichever is sooner. CA may invoice Students, at the prices published by CA at the beginning of the Academic Year, for any Tangible Instructional Materials that are not returned, unless prohibited by applicable law. To the extent that any Tangible Instructional Materials are listed in the Program Guide as being available in both physical and electronic form, CA shall only be required to provide the electronic version.

2.2 Intangible Instructional Materials. A non-exclusive, non-transferable, royalty-free, license to use intangible educational materials that may include items such as online lesson content, lesson plans, Teachlet® tutorials and other intangible educational materials included in any Courses listed in the Program Guide during each applicable Academic Year during the Term of this Agreement (“Intangible Instructional Materials”). District Board agrees and acknowledges that CA, its vendors, or both, are the sole owners of the Intangible Instructional Materials. Any payments to CA for the use of the Intangible Instructional Materials shall be solely for the applicable Academic Year for each Student or Teacher who receives Intangible Instructional Materials in connection with the provision by CA of the Educational Products and Services under this Agreement. This Agreement does not constitute a transfer of title or ownership by CA to the District or to the Students or Teachers in the Intangible Instructional Materials. All right, title, and interest in and to the Intangible Instructional Materials and any content contained in the Intangible Instructional Materials, including, but not limited to, copyright, patent, trade secret, and trademark rights will remain with CA and/or its vendors to the extent that the Intangible Instructional Materials are the property of CA and its vendors.

2.3 Computer Hardware and Software for Students. CA, in its sole discretion and based on the financial need of a Student, may lease to the District, without charge, a computer and related software (collectively “Hardware and Software”) for each eligible Student who is Enrolled, or to a household, if more than one Student in a household is Enrolled. Any Hardware and Software provided by CA will be the exclusive property of CA or its contractors and will be returned upon the termination of this Agreement or when the Student is no longer Enrolled, whichever is sooner. The Hardware and Software may be updated from time to time by CA. The District shall not be responsible for ensuring the return of Hardware and Software. However, to the extent that such Hardware and Software is not recovered, CA may invoice Students, unless prohibited by law, for any Hardware and Software not returned. Any Hardware and Software leased to the District will not affect the financial responsibilities of the

Parties as described in Section 9, nor shall the District be liable for any costs associated with recovering or replacing leased Hardware and Software.

2.4 Computer Hardware, Software and Office Equipment for Personnel. For any personnel who are providing services under this Agreement, CA will at its sole cost and expense provide and maintain in good working condition at least the following accommodations and services for all personnel under the control or supervision of CA who are engaged in providing the Educational Services under this Agreement: office supplies; telephone service; and computer Hardware and Software (including CPUs, monitors, printers, and other suitable peripherals). Any Hardware and Software provided by CA will be the exclusive property of CA or its contractors and will be returned upon the termination of this Agreement or upon the termination of employment, whichever is sooner. The District shall not be responsible for ensuring the return of Hardware or Software.

2.5 Education Management System. CA will provide to the District a non-exclusive, nontransferable, royalty-free, limited license during the term of this Agreement for the use of Connexus®, its Education Management System (“EMS”), by Teachers, Students, Learning Coaches and other individuals required to access the system in order to provide or receive the Educational Services specified in this Agreement, including, but not limited to, the Superintendent of Schools for CAM Community School District or his/her designee. CA may update the features and functions of the EMS from time to time. District agrees and acknowledges that CA is the sole owner of its EMS through which certain of the Educational Services are delivered and any content contained in the EMS is owned by CA and its vendors. This Agreement does not constitute a transfer by CA to the District, Teachers, Students, or Learning Coaches of any intellectual property rights in its EMS or any content contained in the EMS. All right, title, and interest in and to the EMS and any content contained in the EMS, including, but not limited to, copyright, patent, trade secret, and trademark rights will remain with CA and its vendors.

3. Educational Services to be Provided by CA. During the Term, CA shall provide or cause to be provided to the District the following Educational Services for the fees set forth in Section 9:

3.1 Personalized Learning Plan Protocol. A Personalized Learning Plan (“PLP”) for each Student, as required to meet or exceed any educational standards established by the State of Iowa.

3.2 Assessments. A series of assessments administered to Students to gauge mastery of core concepts and readiness for the State of Iowa’s standardized tests including but not limited to: (a) a placement evaluation; (b) an additional skills assessment for grades 3-8, designed to measure a Student’s level against state standards, which will generally be administered to students Enrolled during the first two (2) months of the Academic Year and those Enrolled during the

last two (2) months of the Academic Year; (c) other quantitative and qualitative assessments that will vary based on the grade and the Student's progress; (d) Progress Reports that shall be prepared for each Student at least quarterly.

3.3 Standardized Tests. CA shall require that all Students agree to submit to participation in all testing programs required by the State of Iowa, currently including, but not limited to, Iowa Test of Basic Skills (ITBS) and Iowa Tests of Educational Development (ITED) tests as they exist now or may later be amended. CA shall be responsible for establishing a testing plan that provides reasonable access to testing sites based on the Student's residence. CA shall establish and administer the procedures necessary for the delivery of such tests and shall provide to the District Board information concerning the percentage of Students participating in the testing program to the extent that Student participation is legally required. CA shall maintain test security, administer the tests consistent with all relevant state requirements, and follow applicable professional and ethical standards. All testing shall be administered by CA and any costs of administration shall be borne by CA, except that the District shall bear the cost and provide access to a testing location for any Students that are resident in the District.

3.4 Administrative Staff.

(a) Lead School Administrator. CA shall employ one or more persons who shall be designated as the "Principal", or in the event there is not a sufficient number of Students to require a full time Principal, then a Teacher may be designated to act as Lead School Administrator until such time as there are a sufficient number of Students. If during the Term of this Agreement, there is more than one individual who is designated as "Principal" for the purpose of managing different grade levels, CA may designate a common supervisor, "Director" to whom the Principals will report. The Principal if there is only one such position, or Director if there are more than one Principal or Teacher acting as the Lead School Administrator if there is no Principal, shall sometimes be hereinafter referred to as the "Lead School Administrator".

(b) Other Clerical or Support Administrative Positions. CA may also employ one or more individuals in clerical or support positions as may be required to support School operations.

(c) Responsibility. The Lead School Administrator shall aim to build consensus among all stakeholders, and hence shall have responsibilities that shall include reporting regularly to the District Coordinator, supervising administrative personnel, inspiring Teachers to teach, Students to learn, and Learning Coaches to engage in their Student's learning. The Teachers shall report to the Lead School Administrator or such individual as shall have been designated by him or her, and the Lead School Administrator shall work primarily under the direction of the CA VP of Schools, or his/her designee. The Lead School Administrator shall be the primary interface between CA and the District, and shall be responsible for assuring the delivery of the Educational Services. The Lead School Administrator shall comply with CA practices and

protocols in the delivery of the Educational Services and shall report to CA as to the operations of the School.

(d) Lead School Administrator Approval. The District shall have the right to request that CA replace the Lead School Administrator in the event that the District is dissatisfied with his or her performance, and so notifies CA in writing. In that event, CA shall promptly take steps to replace the Lead School Administrator. In addition, CA may replace the Lead School Administrator at any time.

(e) Other Administrative Staff. CA may also employ one or more persons who shall be designated as Assistant Principals. Such staff shall report to the Lead School Administrator or his or her designee. Other Administrative Staff shall be employed in the same manner as Teachers and may also act as Teachers in addition to their other responsibilities.

(f) Contracted Services. CA shall provide human resources services, including, but not limited to, recruiting, payroll (including, but not limited to, paying the Administrative Staff directly, collecting and remitting taxes), benefits administration, supervision, and liability insurance. CA agrees to conduct background checks, including fingerprinting if required by law, for each employee or prospective employee, to otherwise meet the requirements of Iowa law for all employees in the same manner as if CA were a school district under those sections, and to bear the costs of each background check. CA shall give notice to the District of any employee who has been convicted of a felony or misdemeanor. Administrative Staff shall not participate in any state or benefit programs of the District, including any pension plans.

### 3.5 Teaching Staff.

(a) Employment of Teachers. CA will employ one or more persons designated as Teachers. CA shall be responsible for recruiting, training, and assigning Teachers. All Teachers shall hold a valid Iowa teaching license and proper endorsement and shall meet the requirements of the No Child Left Behind Act. Teachers shall not be required to be resident in Iowa, so long as they are Iowa-licensed, properly endorsed, and provided that CA shall use reasonable efforts to employ Teachers resident in Iowa to the extent that enrollment supports full-time positions. CA and the Lead School Administrator will have all day-to-day responsibility for the selection, supervision, oversight, discipline and dismissal of the Teachers.

(b) Contracted Services. CA will provide human resources services, including, but not limited to, recruiting, payroll (including, but not limited to, paying the teaching staff directly, and collecting and remitting taxes), benefits administration, supervision, and liability insurance. CA agrees to conduct background checks, including fingerprinting if required by law, for each employee or prospective employee, to otherwise meet the requirements of Iowa law for all employees in the same manner as if CA were a school district under those sections, and to bear the costs of each background check. CA shall give notice to the District of any employee who

has been convicted of a felony or misdemeanor. Teachers shall not participate in any state or benefit programs of the District, including any pension plans.

(c) Teacher Performance and Conduct. The District Coordinator may, at any time, request that the Lead School Administrator promptly investigate and take action to address any complaints or concerns regarding the performance or conduct of any Teacher. The Lead School Administrator shall provide a prompt report to the District Coordinator on any and all actions taken in response to such a request. In the event the Lead School Administrator fails to take timely action to respond to the complaints or concerns raised and make a report, or in the event the actions taken by the Lead School Administrator are deemed inadequate, the District Coordinator may require the removal or replacement of a Teacher within thirty (30) days of any written request or immediately upon written notice in the event the District Board believes there is any health or safety risk to any Student and so notifies CA in writing.

3.6 Community Coordinators and Group Activities. In addition to the Teachers who assist with coordinating community activities for the Students, CA may recruit Learning Coaches willing to volunteer their services to coordinate such community activities. Such individuals shall not be considered employees or contractors of CA or the District. CA will obtain background checks for individuals serving in this capacity in accordance with District policies and procedures.

3.7 Educational Resource Center. CA shall provide access to additional educational support staff in the areas of special education, gifted education and curriculum services, with such staff being available to Teachers, Learning Coaches and Students, according to the terms of the School Handbook and other policies and procedures established by CA. Such resources will be available via email and toll-free telephone during School Calendar days, during the hours of 8 a.m. to 5 p.m. Central Time.

3.8 Instructional Staff Support and Development. All Teachers will receive access to all Instructional Materials supplied to Students, as necessary to conduct their teaching responsibilities. Teachers will be trained in the CA protocols. In addition, continuing professional development will be provided as required to support the delivery of the Educational Services and shall be sufficient to allow Teachers to comply with applicable Iowa statutes and regulations that specify professional development requirements.

3.9 Internet Subsidy. Each Student (or each household as applicable) shall be required to have access to the Internet for a sufficient amount of time to complete the instructional program (including assignments, online communication and collaboration, research and access to supplemental online resources). The level of access required is determined by the nature of the curriculum (e.g., the amount of print material) and the developmental level of the child (e.g., what may be appropriate for an eighth grader may not be appropriate for a first grader). Students shall be strongly advised that high-speed access is required for optimal participation.



If an internet subsidy is offered to Students demonstrating a financial need, then, at its sole discretion, CA may reimburse each such qualified Student's parent or legal guardian in grades K-12 at the rate and upon the schedule as defined in the School Handbook for each full month of the School Calendar that any such qualified Student in the household is Enrolled and may be updated from time to time in consultation with the District.

3.10 Technical Support and Maintenance. CA shall provide technical support and maintenance via email and toll-free telephone service on School Calendar days, during the hours of 8 a.m. to 5 p.m. Central Time ("Technical Support") as required to make sure that Students have the minimum hardware and software necessary to receive Educational Services and shall continue to provide Technical Support as necessary to support the Students' use of the EMS. CA may, at its option, contract with outside vendors for the provision of all or any portion of the Technical Support provided for in this Section.

3.11 Student Records. CA shall comply with all legal requirements related to Student Records, as specified by Iowa and federal law and regulations. CA shall maintain Student Records in accordance with such requirements and additionally as may be necessary to: (a) comply with all attendance rules and apportionment requirements specified by applicable state, local and federal laws or regulations, (b) maintain the confidentiality of Student Records, in accordance with applicable state, local and federal laws and regulations and the Section 10 of this Agreement, and (c) meet any other applicable regulatory requirements. All Student Record information shall remain the property of the District, and to the extent not immediately available to the District, shall be provided to the District within three (3) business days of the District's written request for such information, unless a longer period is authorized under applicable law or mutually agreed to. CA may retain a copy of such Student Records, subject to the confidentiality requirements of this Agreement.

3.12 Services to Special Needs Students.

(a) Obligation for Services. The Parties understand and agree that CA is ultimately responsible for ensuring that all students attending the School who are categorized as Special Needs Students under Iowa law as Level I, II, or III, are provided with a free and appropriate education in compliance with applicable state and federal law. With respect to Level 0 (also referred to as unfunded) Special Needs Students, CA will work collaboratively with the District and Green Hills Area Education Agency with respect to the provision of related services, including speech therapy and occupational therapy, and other identified Level 0 services, in accordance with Iowa law. The cost of providing special needs services to Special Needs Students will be borne by CA unless Iowa law provides other means of paying for these services.

(b) Responsibility to Defend. CA shall indemnify and hold the District harmless from all costs, claims and damages related to any proceeding, claim or lawsuit that arises out of the alleged failure to provide the services to Special Needs Students for which CA is responsible for

providing in accordance with this Agreement, provided only that the District shall make available at its expense such personnel as may be required to provide testimony or other support in connection with any given dispute. Notwithstanding the foregoing, CA shall promptly advise the District of any such proceeding or lawsuit, and the District shall have the right, but not the obligation, to defend and, at its discretion, to settle such proceeding or lawsuit in the event that CA fails to defend such proceeding or lawsuit. CA shall obtain the District's approval of any settlement of any dispute underlying any proceeding or lawsuit, which approval shall not be withheld unreasonably.

3.13 Facility, Office Supplies and Services. CA agrees to provide at its sole cost and expense and maintain in good working condition at least the following facilities and services for at least one (1) Administrative Staff or Teacher engaged in providing the Educational Services under this Agreement: office space, furniture and general office supplies; access to a conference or meeting room; and data lines, including Internet access. CA also agrees to provide storage space and any required fireproof file cabinets for the storage of any required physical Student Records.

3.14 Management of Instructional Materials. CA shall provide for the management of the Tangible and Intangible Instructional Materials, which shall involve procurement, contracting, storage, fulfillment, and other services required to obtain and deliver such Tangible and Intangible Instructional Materials.

3.15 Non-delegable Duties. Notwithstanding anything to the contrary in this Agreement, if any service, responsibility, duty, power or authority delegated by the District to CA pursuant to this Agreement may not be so delegated under applicable law, such delegation shall be null and void and the Parties shall adjust the financial terms of this Agreement accordingly.

3.16 Iowa Employment Law. CA acknowledges that with respect to those CA employees who comprise Administrative Staff (Section 3.4) and Teaching Staff (Section 3.5) or who otherwise perform services within the state of Iowa, Iowa employment law shall govern the employment relationship between CA and such employee residing in Iowa.

#### **4. Services Provided to CA by the District.**

4.1 Oversight. The District shall promptly inform CA of any obligations or deficiencies in the School's operations.

4.2 Required Reporting. CA will be responsible for preparing and the District will be responsible for filing all information directly with the State of Iowa or other regulatory authorities associated with the operation of the School as required by any applicable state or federal law or regulation.

(a) The District shall cooperate with CA in determining what information is required in order to comply with the reporting requirements, including any required format or means of delivery (for example, Student Record fields and the required electronic format suitable for transferring such information in the District's or other regulatory authorities' records) at least thirty (30) days prior to any due date; provided, however, that any failure to notify CA in a timely manner will extend, and not relieve, CA's compliance. CA will have the right to review all such final reports filed pursuant to this Section, and to audit such reports at CA's expense upon reasonable notice to the District.

(b) Each Party shall ensure that any reports of data relating to itself or the School, whether to the State for funding or other reporting purposes, or to the other Party for internal publication or distribution, shall be accurate. CA shall have the right to inspect any data included in the District's student information system or in any reports or analyses prepared or distributed by the District, and the District agrees that it will correct any errors in its data upon documentation of the error within fifteen (15) calendar days of its receipt of notice of the error and supporting evidence. The District shall use its best efforts to ensure that any data reported by the State concerning the operation of the School that is inaccurate will be corrected in a timely manner. Failure on the part of the District to correct inaccurate data shall be considered a material breach of this Agreement.

(c) The District shall report Students for all funding sources for which these Students are eligible in the same manner as it reports and receives funding for other students enrolled in the District.

4.3 Standardized Testing Administration. While CA shall be responsible for administering any required standardized tests at its own cost, the District shall assist CA in locating appropriate testing locations and in administering any required tests to students resident in the District at the District's expense.

4.4 Collection of Funds due from other Districts. The District shall use reasonable efforts to assist in the collection of any amounts that are due from other school districts but shall not be responsible for any amounts that fail to be collected.

4.5 District Coordinator. The District shall designate one individual who shall serve as District Coordinator and shall be the primary interface with the Lead School Administrator and other CA staff for the provision of services under this Agreement.

## **5. Eligible Students.**

5.1 Admission Requirements. Any child qualified under the laws of Iowa for admission to Iowa public schools and in grades designated by the district is eligible to become a Student under this Agreement, subject to any applicable limitations in law or regulation, and subject to

verification of their residency or other requirements established by law or regulation. CA will not charge tuition and shall not charge Students any other fees unless approved by the District.

5.2 Priority. Any limit on the number of Students who may be Enrolled shall be communicated to interested parents and students prior to their enrollment, including any procedure for conducting a lottery. Once Enrolled, Students will not be required to reapply in subsequent Academic Years, but will need to complete information confirming their intent to return, in accordance with the terms of the School Handbook.

5.3 Recruiting and Community Education. CA will be responsible for developing a plan for periodic community informational meetings and correspondence as required to recruit Students and to inform other interested parties about the School. The cost of any such recruiting and community education activities shall be borne by CA.

5.4 Enrollment. The District delegates to CA responsibility for accepting Students. However, the District has no responsibility to pay CA for any Students admitted who are not eligible to enroll. CA shall maintain a list of the Students Enrolled on behalf of the District and shall provide such list to the District promptly upon request.

5.5 Full-time Status. Students shall be permitted to enroll in the School exclusively on a full-time basis. Students will be eligible for the Senior Year Plus Programs as defined by Iowa Code 261E. Part-time enrollment will not be permitted except by prior written agreement between CA and the District, and neither Party shall have any obligation to accept a part-time enrollment or provide any payment for services provided by other parties.

5.6 Disenrollment. A Student may withdraw from the School at any time during the Academic Year. Students may also be withdrawn who violate the terms of the School Handbook. CA will use its reasonable best efforts to collect any information required by law or regulation concerning a withdrawn Student's next school. CA will report on the status of withdrawals to the District monthly during the Academic Year or whenever requested by the District. CA will be responsible for reimbursing any state and federal funds that it has received to the extent funding is disallowed as a result of a Student's withdrawal.

## **6. Term and Termination.**

6.1 Term. The term of this Agreement shall commence upon the Effective Date and shall expire on June 30, 2015 unless terminated earlier in accordance with this Agreement.

6.2 Renewal. Upon expiration of the Term, this Agreement may be renewed for up to two (2) additional five (5)-year terms under the terms and conditions of this Agreement, including the financial terms described in Section 9.1, or such other renewal period agreed upon by both Parties and allowed by the applicable law or regulation. The Parties agree to execute any

renewal of this Agreement before January 1st of the current term, unless a different date is agreed to by both parties.

6.3 Early Termination. Except as specifically provided for herein, this Agreement can only be terminated before its expiration as follows:

(a) By both Parties, if they agree in writing to the termination;

(b) By either Party, if one Party materially breaches this Agreement and fails to cure such breach within thirty (30) days following written notification of such breach from the non-breaching Party;

(c) By CA, if the payments to which CA is entitled under Section 9 of this Agreement are materially reduced as a result of a change in funding provided to the District or applicable law. For purposes of this subsection 6.3(c), a "material reduction" shall be any funding change that results in a per pupil funding decrease to the District of 10% or greater.

(d) By CA, if newly adopted regulations or statutory enactment impose additional requirements that are materially different from those previously provided under this Agreement and CA is unwilling or unable to make the required changes that would bring the School into conformity with such additional requirements. For purposes of this subsection 6.3(d), "materially different requirement" shall be any requirement that imposes on CA an obligation (i) beyond the reasonable contemplation of CA when it entered into this Agreement and (ii) that imposes a significant financial burden on CA with no provision for reimbursement or that would require CA to materially deviate from its established business model for managing virtual schools in carrying out its obligations under the terms of this Agreement.

(e) By CA for the 2013-2014 school year only, if the funded enrollment for the 2012-2013 Academic Year does not exceed one hundred (100) students;

(f) By the District, upon written notice to CA, if the District determines at or before the end of an Academic Year that the Educational Products and Services do not meet the requirements for an online school or, if by the end of the second year of the Term, CA has not made acceptable progress toward meeting the academic achievement expectations for all Iowa public schools, as defined by applicable laws and regulations, but only if CA is unable to produce to the District an acceptable plan of action, including implementation strategy, to cure such deficiency after being given thirty (30) days written notice thereof specifying in detail the deficiency and the opportunity to cure any alleged failure to meet such requirements. The determination as to whether CA's plan of action to cure the deficiency shall be made in the sole reasonable discretion of the District; or

(g) By operation of law, if the School is no longer certified to be operational pursuant to the applicable Iowa law and regulation.

6.4 Notice of Termination. The procedure for terminating this Agreement shall be as follows:

(a) In the event of a termination of this Agreement, the terminating Party shall provide written notice no later than January 15<sup>th</sup> of the then current Academic Year, which said written notice shall list the reason(s) for termination, provided, however, if such termination arises out of §§ 6.3(b), (d) or (f), then notice may be provided at any time.

(b) Termination shall only occur at the end of the Academic Year in which notice of termination was provided, with the date of the termination being June 30<sup>th</sup> of the then current Academic Year, provided, however, that

(i) if such termination arises out of Section 6.3(a), relating to an uncured material breach of this Agreement, then the termination shall take effect immediately; or

(ii) if the termination arises out of 6.3(d) and the adoption of additional requirements referenced in 6.3(d) are scheduled to take effect during the Academic Year in which the adoption of additional requirements occur, then termination shall take effect immediately.

6.5 Obligations on Termination. In the event this Agreement is terminated by either Party for any reason:

(a) CA shall assist and cooperate with the District in transitioning the provision of Educational Products and Services from CA to the District or another service provider so as to minimize the disruption to Students;

(b) Each Party will promptly (not later than thirty (30) days after the effective date of termination) return to the other Party all Confidential Information, property and material of any type belonging to the other Party, including, but not limited to, electronic versions, hard copies and reproductions and will not retain copies of any such property or material, except as may be expressly permitted in this Agreement or required by applicable law;

(c) All access to the EMS and other Educational Products and Services shall be discontinued;

(d) CA shall provide to the District copies of all Student Records not otherwise in the District's possession at no additional cost;

(e) As further specified in Section 11.3, the District shall take steps to immediately rebrand the School to a name (i) other than "Iowa Connections Academy" and (ii) that is not confusingly similar to "Iowa Connections Academy"; and

(f) The District shall pay CA all amounts due under this Agreement upon the earlier of either their due dates or thirty (30) days after the effective date of termination.

**7. Representation Regarding Non-Discrimination.**

Neither CA nor the District will discriminate against any person on the basis of race, creed, color, sex, national origin, religion, ancestry, sexual orientation or disability, or any other basis prohibited by federal or Iowa law.

**8. Health and Safety.**

8.1 CA specifically acknowledges that it shall adhere to the following standards regarding health and safety:

(a) Reporting child abuse or neglect of which it has reasonable suspicion, as required by state law;

(b) Adopting policies prohibiting the use of drugs, alcohol and tobacco on school grounds or at school events; and

(c) Complying with all state immunization laws.

**9. Financial Terms.**

9.1 The following shall represent the financial responsibilities between the Parties: For each Academic Year during the Term, the District shall pay CA as follows: an amount that shall equal Ninety-Seven percent (97%) of revenue generated from each Student participating in the virtual school program paid to the District from the Iowa Department of Education for general education purposes, including categorical funding ("Per Pupil Funding"). In the event that Students or Teachers generate any funds received by the District under a state program, such as, but not limited to, State Special Education or under a federal program, including, but not limited to, Federal Title or IDEIA-B (special education) or from another school or school district in Iowa, CA will be entitled to receive such funds, and District shall remit such funds to CA in accordance with Section 9.4 below.

9.2 The three percent (3%) retained by the District in Section 9.1 above shall be considered the oversight fee paid by CA to the District ("Oversight Fee"). In no event shall the Oversight Fee paid to the District for a given Academic Year be less than Fifty Thousand Dollars (\$50,000).

9.3 Additional District Oversight Assistance- In furtherance of the School's objective of offering the District a mechanism by which the District can independently verify the efficacies of online learning, in general, and the products and services offered by CA, in particular, CA has agreed to make the following package of services available to the District for purpose of District Oversight Assistance:

(a) At the request of the District, for as long as the School is contracted with CA, CA will offer the District additional supplemental courses through National Connections Academy (NACA) at a twenty percent (20%) discount off of the then-current list price charged by NACA. NACA shall be responsible for recruiting, training, and assigning Iowa licensed and properly endorsed Teachers to teach such courses. The District acknowledges that the Iowa licensure requirement for Teachers may limit the number of supplemental courses offered by NACA to the District.

(b) CA shall work with the District in an attempt to permit students of other attendance centers of the District to participate in Iowa Connections Academy Club Activities provided the District makes those students available to participate during school hours. CA reserves the right to limit such participation if CA believes such participation will interfere with the experience of students enrolled in the School or if it does not have the resources to support students from other attendance centers of the District.

(c) The District Oversight Assistance package set forth in Section 9.3 (a) and (b) expires immediately upon the expiration or termination of this Agreement.

#### 9.4 Invoices and Payment.

(a) CA shall invoice the District quarterly, or on such schedule as is consistent with the District's receipt of funding from the state or resident districts or resident Area Educational Agencies, but in no event less frequently than on February 1 and June 15 each year for the Per Pupil Funding. The District shall remit payment to CA for these invoices within forty (40) days of receipt. Any other payments due to CA by District for funds received for additional resident school district, resident Area Educational Agencies, state or federal revenues or receipts shall be paid within forty (40) days of receipt of such funds by District. The Parties may establish alternate payment arrangements by mutual agreement.

(b) On or before each September 30 after the completion of the initial Academic Year during the Term, CA will provide a breakdown of its charges, including a breakdown between Tangible and Intangible Instructional Materials, staff compensation, EMS, etc., according to its standard fee schedule. This shall not change the amounts due to CA, but shall provide the District with support for the charges for the Educational Products and Services provided by CA. The approval of such fee schedule by the District shall constitute its acknowledgement that the amounts are, in its estimation, reasonable, necessary and fair market value compensation for the Educational Products and Services provided under this Agreement.



9.5 Sales Tax. The District shall provide CA with documentation evidencing the District's tax exempt status. To the extent that the District is not tax exempt, the District shall be responsible for federal, state, or local taxes assessed, if any, based on the Educational Products and Services provided to the District under this Agreement.

9.6 CA and the District may charge interest at the maximum rate allowable on warrants set in accordance with Section 74A.6, Code of Iowa, for any invoices paid more than sixty (60) days after the date of invoice, unless such failure to pay is the result of: (i) funds being withheld from the District due to a failure by CA to perform under the terms of this Agreement, or (ii) failure by the State of Iowa to timely disburse funds due to the District, in which event the District shall use its best efforts to cause the funds to be disbursed and the shortfall will be paid as soon as the funds are received, or (iii) the District or CA disputes any charges. The District or CA shall notify the other of any dispute and the basis for any dispute within five (5) days of receipt of the invoice and shall work to resolve the dispute within thirty (30) days. All amounts other than any amounts in dispute shall be paid according to the terms herein. Funds shall also be subject to adjustment based on any adjustments to Student counts as a result of an audit by the State of Iowa. Any surplus or shortfall determined as a result of such audits shall be credited or debited to or against the next payment or payments otherwise due under CA this Section 9.

9.7 To the extent that any adjustments are required as a result of a state audit that determines that CA failed to adequately perform its responsibilities under this Agreement or applicable law, CA will be required at the District's option to either: (i) return funds to the District in the amount determined by the State funding authority, or (ii) reduce the amount invoiced to the District for future Educational Products and Services by the amount determined by the State.

9.8 CA may contract with the District for the direct purchase of District services that can be provided within the boundaries of the District, including, without limitation, supervision of Students who are engaged in activities in the District under Section 3.6 above. The amount to be paid by CA for any District service shall be the actual cost incurred by the District in providing the services and shall be remitted to the District by CA within thirty (30) days of invoice.

## **10. Confidential Information.**

10.1 Confidential Information Defined. As used in this Agreement, "Confidential Information" means all information and any idea in whatever form, tangible or intangible, pertaining in any manner to the business of a disclosing Party (or any of its affiliates) or to a disclosing Party's customers or business partners unless it must be disclosed by applicable law. It is acknowledged that the following information will be included, without limitation, in the definition of Confidential Information, whether in written or verbal form, and including electronic data recorded or retrieved by any means: (1) educational content, curricula, teaching

outlines, lesson plans, testing processes and procedures; (2) Student Records and other student-related personal information; (3) information regarding business strategy and operations such as business plans, marketing strategies, outreach plans and sales information, pricing information and customer and prospect lists, the identities and locations of vendors and consultants providing services or materials to or on behalf of the disclosing Party; (4) information regarding product development such as product designs and concepts, development methods, computer software, inventions and other work product; (5) financial information such as budget and expense information, economic models, pricing, cost and sales data, operating and other financial reports and analysis; (6) human resource information such as compensation policies and schedules, employee recruiting and retention plans, organization charts, disciplinary records and other personnel data; (7) the terms of this Agreement; and (8) other similar non-public information that may provide the disclosing Party with a strategic advantage or could harm the disclosing Party if publicly disclosed.

10.2 Obligation to Protect. To the extent permitted by law, the District shall maintain the confidentiality of the Confidential Information. Notwithstanding the foregoing, the District shall be responsible for responding to any requests for public records in compliance with Iowa and federal law and regulations, and shall be permitted to make such disclosures and retain such materials as is required for the District to comply with applicable laws and regulations, and in accordance with Section 3.11. CA shall make such information and facilities available to authorized District personnel, Iowa regulatory authorities, and any other person, as required to comply with applicable laws and regulations, and in accordance with Section 3.11, provided, however, to the extent any response to a public records request requires disclosure of CA's Confidential Information, the District will immediately provide CA with written notice of such public records request and its belief that such request requires disclosure of CA's Confidential Information, and will cooperate with CA, within the bounds of the applicable laws and regulations, in CA's efforts to limit or prevent such disclosure.

10.3 Protection of Student Records. The Parties acknowledge and agree that under Iowa law and under 20 U.S.C. § 1232g, the Family Educational Rights and Privacy Act ("FERPA"), and any regulations promulgated thereunder, each Party has certain obligations with regard to maintaining the security, integrity and confidentiality of "education records", as that term is defined by FERPA and not releasing educational records to third parties who are not authorized under FERPA and who have no legitimate educational interest for access to Student Records. The Parties designate the staff, employees and volunteers who are providing any educational or administrative services to the Student as agents of the District having a legitimate educational interest and thus entitled to access to educational records. The Parties agree that they shall perform their obligations under this Agreement in compliance with FERPA and any regulations promulgated thereunder. The Parties shall also maintain Student Records in accordance with any other applicable state, local and federal laws and regulations.

10.4 Remedy for Breach. The Parties acknowledge that monetary damages may not be a sufficient remedy for unauthorized disclosure of Confidential Information and that a disclosing Party shall be entitled, without waiving any other rights or remedies, to such injunctive or equitable relief as may be deemed proper by a court of competent jurisdiction.

## **11. Ownership of Intellectual Property and Tangible Personal Property Supplied by CA.**

11.1 Intellectual Property. The District agrees and acknowledges that CA is the sole owner of the EMS, and that CA, its affiliates, and/or its contracted vendors are the owners of any Intangible Instructional Materials and other content contained in the EMS (together “Content”) made available pursuant to this Agreement. The District will acquire no rights in trademarks, patents, copyrights or trade secrets related to the EMS, the Intangible Instructional Materials or the Content by reason of the District’s use of the same in connection with this Agreement. In the event that Teachers, Administrative Staff, or both, are employed by the District, the District grants and agrees to cause its employees and agents to grant, to CA and its successors and assigns, the non-exclusive perpetual, irrevocable, worldwide and royalty-free license to use (including to provide Educational Products and Services), modify, market and create derivative works based upon any instructional or other copyrightable materials created by Teachers or Administrative Staff who are employees or agents of the District, if any, without identifying or seeking the consent of the District or any of its employees or agents. Any such derivative works created shall be the sole property of CA and its transferees.

11.2 Tangible Personal Property. This Agreement does not constitute a sale or other transfer to the District of any Educational Products supplied by CA pursuant to Section 2. All right, title, and interest in and to such Educational Products will remain with CA.

11.3 Trademarks. CA is the owner of various trademarks, service marks, logos and/or trade names used in its business of providing Educational Products and Services, as specified on **Exhibit A** (collectively, the “Licensed Marks”). CA grants to the District a non-exclusive, non-transferable, royalty-free license to use the Licensed Marks during the term of this Agreement solely in connection with the performance of this Agreement and subject to pre-approval of such use by CA. The District agrees to make reasonable efforts to use the Licensed Marks in accordance with CA’s trademark usage guidelines provided by CA, the most up to date version of which can be found at [www.connectionsacademy.com](http://www.connectionsacademy.com). CA retains all right, title and interest in and to the Licensed Marks and any related proprietary rights not expressly granted to the District hereunder. All goodwill attributable to the Licensed Marks will inure exclusively to the benefit of CA. In the event of a termination of this Agreement, the District agrees to terminate use of the Licensed Marks and amend any publicly recorded and unrecorded documents, marketing materials, or School trade dress to remove the name “Connections Academy”, the

Connections Academy logo and any other Licensed Marks that may be contained therein within sixty (60) days after the effective date of termination, unless otherwise agreed to by the Parties.

**12. Indemnification.**

12.1 Indemnification by CA. To the extent not covered by insurance or not barred by any state law, CA hereby agrees to indemnify and hold the District and each of its elected or appointed representatives, officers, directors, and employees harmless against any and all claims, losses, damages, liabilities and costs (including attorney's fees and expenses reasonably incurred) arising out of or relating to: (a) CA's noncompliance with any applicable federal, state or local law or regulation, court or administrative decision, (b) the acts or omissions of CA's employees and agents in the performance of this Agreement, or (c) CA's breach of this Agreement.

12.2 Indemnification by District. To the extent not covered by insurance or barred by any state law, District hereby agrees to indemnify and hold CA and each of its affiliates, officers, directors, independent contractors, and employees harmless against any and all claims, losses, damages, liabilities and costs (including attorney's fees and expenses reasonably incurred) arising out of or relating to: (a) District's noncompliance with any applicable federal, state or local law or regulation, court or administrative decision, (b) the acts or omissions of District's elected and/or appointed representatives, employees and agents in the performance of this Agreement, or (c) District's breach of this Agreement.

12.3 Indemnification Procedure. The Party to be indemnified will: (a) promptly notify the indemnifying party in writing of any claim, loss, damages, liabilities and costs, and for third party claims, (b) allow indemnifying party to control the defense, and (c) reasonably cooperate with indemnifying party in the defense and any related settlement negotiations. In addition to any defense provided by indemnifying party, the Party to be indemnified may, at its expense, retain its own counsel. If indemnifying Party does not promptly assume the Party to be indemnifier's defense against any third party claim, the Party to be indemnified reserves the right to undertake its own defense at indemnifying Party's expense.

**13. Limitation of Liability.**

In no event will the District and its respective employees or agents be responsible or liable for the debts, acts or omissions of CA, its directors, officers, employees, or agents.

In no event will CA and its respective employees or agents be responsible or liable for the debts, acts or omissions of the District, its directors, officers, employees, or agents.

**14. Insurance.**

14.1 CA Insurance. CA will maintain and keep in force no less than such amounts of insurance as are provided for in **Exhibit B** to cover insurable risks associated with operations under this Agreement, whether such operations are conducted by CA, or by any subcontractor or anyone directly or indirectly employed by any of them. Such coverage will include worker's compensation insurance for any CA employees provided under the terms of this Agreement. The District will be included as an "additional insured" at no additional charge.

14.2 Insurance. If the District provides any services under this Agreement it shall be responsible for maintaining liability insurance to cover any injuries or loss to any personnel or equipment or furniture used in the performance of this Agreement, whether owned by CA or by the District and shall bear any costs for replacement or claims not covered by insurance.

**15. Notices.**

Any notice, demand, or request from one Party to the other Party hereunder shall be deemed to have been sufficiently given or served for all purposes as of the date it is delivered by hand, received by overnight courier, or within three (3) business days of being sent by registered or certified mail, postage prepaid to the Parties at the following addresses:

If to the District:

CAM Community School District  
Attention: Superintendent  
1000 Victory Park Road  
Anita, IA 50020

With a Copy to:

Mundt, Franck & Schumacher  
Attention: Derrick R. Franck  
1231 Broadway, Suite 300  
Denison, Iowa 51442

If to CA:

Connections Academy of Iowa, LLC  
c/o Connections Education LLC  
Attention: President  
1001 Fleet Street, 5th Floor  
Baltimore, MD 21202

With a Copy to:

Connections Academy of Iowa, LLC  
c/o Connections Education LLC  
Attention: General Counsel  
1001 Fleet Street, 5th Floor

**16. Miscellaneous.**

16.1 Severability. If any provision of this Agreement is held to be invalid, unenforceable, or in violation of any federal, state, or local law, it shall be enforced to the maximum extent permissible, and the remaining provisions of this Agreement shall remain in full force and effect.

16.2 Successors and Assigns. The terms and provisions of this Agreement shall be assignable by either Party only with the prior written permission of the other, which consent shall not be unreasonably withheld; provided that a change in control of CA shall not be deemed a violation of this Agreement.

16.3 Complete Agreement; Modification and Waiver. This Agreement constitutes the entire agreement between the Parties with respect to the matter contained herein and supersedes all prior and contemporaneous agreements, warranties and understandings of the Parties. There are no agreements, representations or warranties of any kind except as expressly set forth in this Agreement. No waiver of any provision of this Agreement will be effective unless it is in writing and signed by the Party to be charged with such modification, and no such waiver will constitute a waiver of any other provision(s) or of the same provision on another occasion. The Parties agree to negotiate in good faith with respect to any desired modifications or amendments to this Agreement and that no such modification or amendment shall be deemed enforceable against either Party until such time as it has been reduced to a writing and executed by the Parties thereto.

16.4 Force Majeure. If the performance of this Agreement, or any obligation hereunder except the making of payments hereunder is prevented, restricted, interfered with or delayed by reason of circumstances beyond the reasonable control of the affected Party, the Party so affected, upon giving prompt notice to the other Party, shall be excused from such performance to the extent of such prevention, restriction, interference or delay; provided, however, that the Party so affected shall take all reasonable steps to avoid or remove such cause of nonperformance and shall resume performance hereunder with dispatch whenever such causes are removed.

16.5 No Third Party Rights. This Agreement is made for the sole benefit of the Parties. Except as otherwise expressly provided, nothing in this Agreement shall create or be deemed to

create a relationship among the Parties or any of them, and any third party, including a relationship in the nature of a third party beneficiary or fiduciary.

16.6 Professional Fees and Expenses. Each Party shall bear its own expenses for legal, accounting, and other fees or expenses in connection with the negotiation of this Agreement.

16.7 Governing Law. This Agreement shall be governed and controlled by the laws of the State of Iowa. Any legal actions prosecuted or instituted by any Party under this Agreement shall be brought in a court of competent jurisdiction located in Iowa, and each Party hereby consents to the jurisdiction and venue of any such courts for such purposes.

16.8 Counterparts. This Agreement may be signed in counterparts, which shall together constitute the signed original Agreement.

16.9 Compliance with laws, policies, procedures, and rules. Each Party will comply with all applicable federal and state laws and regulations, including applicable local ordinances.

16.10 Interpretation of Agreement. The Parties hereto acknowledge and agree that this Agreement has been negotiated at arm's length and between Parties equally sophisticated and knowledgeable in the subject matter dealt with in this Agreement. Accordingly, any rule of law or legal decision that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it is not applicable and this Agreement shall be interpreted in a reasonable manner to affect the intent of the Parties as set forth in this Agreement.

16.11 Headings; Exhibits. The section headings contained herein are for convenience only and shall not in any way affect the interpretation or enforceability of any provision of this Agreement. All schedules and exhibits to this Agreement are incorporated herein and shall be deemed a part of this Agreement as fully as if set forth in the body hereof.

16.12 Electronic Signatures. This Agreement and related documents may be accepted in electronic form (e.g., by scanned copy of the signed document, an electronic or digital signature or other means of demonstrating assent) and each Party's acceptance will be deemed binding on the Parties. Each Party acknowledges and agrees it will not contest the validity or enforceability of this Agreement and related documents, including under any applicable statute of frauds, because they were accepted or signed in electronic form. Each Party further acknowledges and agrees that it will not contest the validity or enforceability of a signed facsimile copy of this Agreement and related documents on the basis that it lacks an original handwritten signature. Facsimile signatures shall be considered valid signatures as of the date hereof. Computer maintained records of this Agreement and related documents when produced in hard copy form shall constitute business records and shall have the same validity as any other generally recognized business records.

16.13 Survival. The rights and responsibilities of Sections 6.5, 9, 10, 11, 12, 13, 15 and 16 shall survive the termination of this Agreement.

[Signature Page to Follow]



IN WITNESS WHEREOF, the Parties agree to the terms of this Agreement and have executed this Agreement by their authorized representatives to be effective as of the Effective Date.

CAM COMMUNITY SCHOOL DISTRICT

CONNECTIONS ACADEMY OF  
IOWA, LLC

By: My Diller

By: Barbara Dreyer

Title: BOARD PRESIDENT

Title: President

Date: 1-20-2012

Date: 1-20-12

In order to induce CAM Community School District ("District") to enter into the foregoing Agreement, Connections Education LLC hereby unconditionally guarantees to the District School all obligations to be performed by Connections Academy of Iowa, LLC under this Agreement.

CONNECTIONS EDUCATION LLC

By: Barbara Dreyer

Name: President

Title: 1-20-12

## **Exhibit A**

### **List of CA Trademarks, Service Marks, Logos and Tradenames**

The most updated list of marks can be located at:

<http://www.connectionsacademy.com/Libraries/PDFs/CACommonLawTrademarks.sflb.ashx>

**Exhibit B**

**Certificate of Insurance**



# CERTIFICATE OF LIABILITY INSURANCE

CONNE-1

OP ID: CR

DATE (MM/DD/YYYY)

01/17/12

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Diversified Insurance Industries, Inc. Suite 155 West, 2 Hamill Road Baltimore, MD 21210-1873 Kastendike		<b>410-433-3000</b> <b>410-433-3440</b>	<b>CONTACT NAME:</b> <b>PHONE (A/C, No, Ext):</b> <b>E-MAIL ADDRESS:</b>	<b>FAX (A/C, No):</b>
<b>INSURED</b> Connections Education LLC Connections Academy of Iowa LLC Robert Pouliot 1001 Fleet Street, 5th Floor Baltimore, MD 21202		<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
		<b>INSURER A : Massachusetts Bay Ins Co*</b>		<b>22306</b>
		<b>INSURER B : Hanover American Insurance Co*</b>		<b>36064</b>
		<b>INSURER C :</b>		
		<b>INSURER D :</b>		
		<b>INSURER E :</b>		
		<b>INSURER F :</b>		

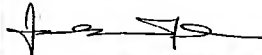
**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			ZDQ877474301	07/01/11	07/01/12	EACH OCCURRENCE \$ <b>1,000,000</b>
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>500,000</b>
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ <b>15,000</b>
	<input checked="" type="checkbox"/> EBL						PERSONAL & ADV INJURY \$ <b>1,000,000</b>
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ <b>2,000,000</b>
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ <b>Included</b>
	AUTOMOBILE LIABILITY						<b>Emp Ben.</b> \$ <b>1,000,000</b>
	ANY AUTO						COMBINED SINGLE LIMIT (Ea accident) \$
	ALL OWNED AUTOS						BODILY INJURY (Per person) \$
	HIRED AUTOS						BODILY INJURY (Per accident) \$
	SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
	NON-OWNED AUTOS						\$
	UMBRELLA LIAB						EACH OCCURRENCE \$
	EXCESS LIAB						AGGREGATE \$
	DED						\$
	RETENTION \$						
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATUTORY LIMITS \$
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						OTHER \$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. EACH ACCIDENT \$
							E.L. DISEASE - EA EMPLOYEE \$
							E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
With respects to General Liability CAM Community School District is an Additional Insured if required by written contract executed prior to any loss, but only for the performance of the insured's work as stated in the contract. See notes attached

**CERTIFICATE HOLDER****CANCELLATION**

<b>CAMCO04</b>  <b>CAM Community School District</b> 1000 Victory Park Road Anita, IA 50020	<b>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</b>  <b>AUTHORIZED REPRESENTATIVE</b> 
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**NOTEPAD:**

HOLDER CODE **CAMCO04**  
INSURED'S NAME **Connections Education LLC**

CONNE-1  
OP ID: CR

PAGE 2  
DATE **01/17/12**

The insurance company and the insured expressly agree and state that the granting of additional insured status on the General Liability policy does not waive any of the defense of governmental immunity available to the school under Iowa Code Section 670 as it now exists or may be amended from time to time.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
1/17/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> The PLEXUS Groupe LLC 21805 Field Parkway, Suite 300  Deer Park IL 60010		<b>CONTACT</b> Certificates <b>NAME:</b> <b>PHONE</b> (A/C, No, Ext): (847) 307-6100 <b>FAX</b> (A/C, No): (847) 307-6199 <b>E-MAIL</b> certificates@plexusgroupe.com <b>ADDRESS:</b>	
<b>INSURED</b> Connections Education, LLC Connections Academy of Iowa LLC 1001 Fleet Street, 5th Floor  Baltimore MD 21202		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Travelers Property Casualty <b>INSURER B:</b> Standard Fire Insurance Company <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

**COVERAGES**

CERTIFICATE NUMBER: 11-12 AL, WC

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X		Y-810-2A61096-6-TIL-11	7/1/2011	7/1/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <b>DED</b> <input type="checkbox"/> <b>RETENTION \$</b>						EACH OCCURRENCE \$ AGGREGATE \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	YC-UB-2A61096-6-11	7/1/2011	7/1/2012	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, If more space is required)

CAM Community School District is listed as additional insured under the Automobile Liability as required by written contract.

The insurance company and the insured expressly agree and state that granting additional insured status on this policy of insurance does not waive any of the defense of governmental immunity available to the school under Iowa Code Section 670 as it now exists or may be amended from time to time.

**CERTIFICATE HOLDER****CANCELLATION**

CAM Community School District 1000 Victory Park Road Anita, IA 50020	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE  W Fawcett III/AEF

ACORD 25 (2010/05)

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INS025 (201005) 01

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BUSINESS AUTO EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- |   |   |
|---|---|
| <b>A. BROAD FORM NAMED INSURED</b>                                  | <b>H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT</b>  |
| <b>B. BLANKET ADDITIONAL INSURED</b>                                | <b>I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT</b> |
| <b>C. EMPLOYEE HIRED AUTO</b>                                       | <b>J. PERSONAL EFFECTS</b>  |
| <b>D. EMPLOYEES AS INSURED</b>                                      | <b>K. AIRBAGS</b>   |
| <b>E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS</b>                 | <b>L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS</b>                    |
| <b>F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS</b> | <b>M. BLANKET WAIVER OF SUBROGATION</b>                               |
| <b>G. WAIVER OF DEDUCTIBLE – GLASS</b>                              | <b>N. UNINTENTIONAL ERRORS OR OMISSIONS</b>                           |

### **PROVISIONS**

#### **A. BROAD FORM NAMED INSURED**

The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

#### **B. BLANKET ADDITIONAL INSURED**

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and

executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the **Who Is An Insured** provision contained in Section II.

#### **C. EMPLOYEE HIRED AUTO**

- The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

## COMMERCIAL AUTO

2. The following replaces Paragraph **b.** in **B.5., Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

**b.** For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

### D. EMPLOYEES AS INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

### E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph **A.2.a.(2)**, of **SECTION II – LIABILITY COVERAGE**:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph **A.2.a.(4)**, of **SECTION II – LIABILITY COVERAGE**:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

### F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph **B.7., Policy Period, Coverage Territory**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

- (5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or

within such country or jurisdiction, for Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

- (a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph **C., Limit Of Insurance**, of **SECTION II – LIABILITY COVERAGE**.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph **C., Limit Of Insurance**, of **SECTION II – LIABILITY COVERAGE**, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

- (b) This insurance is excess over any valid and collectible other insurance available



to the "insured" whether primary, excess contingent or on any other basis.

- (c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

#### **G. WAIVER OF DEDUCTIBLE – GLASS**

The following is added to Paragraph D., **Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

#### **H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT**

The following replaces the last sentence of Paragraph A.4.b., **Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

#### **I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT**

The following replaces the first sentence in Paragraph A.4.a., **Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

#### **J. PERSONAL EFFECTS**

The following is added to Paragraph A.4., **Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

##### **Personal Effects**

We will pay up to \$400 for "loss" to wearing apparel and other personal effects which are:

- (1) Owned by an "insured"; and
- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Effects coverage.

#### **K. AIRBAGS**

The following is added to Paragraph B.3., **Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE**:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

#### **L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS**

The following is added to Paragraph A.2.a., of **SECTION IV – BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

COMMERCIAL AUTO

**M. BLANKET WAIVER OF SUBROGATION**

The following replaces Paragraph A.5., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

**5. Transfer Of Rights Of Recovery Against Others To Us**

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

such contract. The waiver applies only to the person or organization designated in such contract.

**N. UNINTENTIONAL ERRORS OR OMISSIONS**

The following is added to Paragraph B.2., **Concealment, Misrepresentation, Or Fraud**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.